Limited (HPCL) proposes to implement the following expansion programmes:—

(1) *Punjab Refinery Project:* A 9 MMTPA grassroot refinery with integrated power plant is proposed to be set up at Bhatinda in Punjab. The estimated capital cost of project is Rs. 13,009 crores which will be financed through debt; equity ratio of 1.5:1 with 26% equity contribution or more by each co-promoter and balance 48% equity from public and financial institutions etc. The project is expected to be commissioned by 2003.

(2) *Mangalore Refinery Expansion Project:* the capacity of HPCL's JV refinery *viz.* Mangalore refinery & Petrochemicals Ltd. is being increased from present 3 MMTPA to 9 MMTPA at an estimated cost of Rs. 3490 crores. The project is expected to be commissioned in November, 1999.

(3) *Visakh Refinery Expansion Project:* HPCL's Visakh Refinery's capacity is being increased from 4.5 MMTPA to 7.5 MMTPA at an estimated cost of Rs. 1138 crores. The project is expected to be commissioned by September, 1999.

(4) *Oil Exploration & Production:* HPCL has proposed to set up a Joint Venture Company for Exploration & Production of Hydrocarbons in India & abroad. The Government has approved the proposal with initial authorised/ paid up capital of Rs.20 crores. The percentage of the equity contribution of HPCL, ICICI, TDICI and HDFCI is 50%, 35%, 10% and 5% respectively.

(5) *Extension of Visakh-Vijayawada Pipeline:* HPCL has completed the laying of a product pipeline from Visakh Refinery to Vijayawada in March, 1998 at a cost of Rs. 521.61 crores. This pipeline is now proposed to be extended to Secunderabad at an estimated cost of Rs. 344 crores.

Dual pricing system for Kerosene

3314. SHRI PREM CHAND GUPTA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that a dual pricing system for kerosene oil is being proposed to ensure that subsidies are available to only those qualify for the Public Distribution system (PDS); and

(b) if so, by when government plan to implement this plan?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) At present, Kerosene sold through Public Distribution System (PDS) only is subsidised. Effective 1.4.1998, the oil companies have been given freedom to fix prices of kerosene (other than PDS).

Marketing of Petroleum products by Reliance Refineries Limited

3315. SHRI GHUFRAN AZAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Reliance Refineries Limited are trying to take over HPC OR IBP undertakings to market its petroleum products;

(b) if not, whether Government propose to permit M/s. Reliance Refineries Limited to market its petrol and High speed Diesel etc. directly;

(c) the tentative date of commencement of production by the above company; and

(d) whether Government have permitted oil marketing companies to market its products directly through its dealers/distributors to be selected by them?